

Energy saving homes

Energy Research and Development Administration (ERDA) says that consumers moving into new houses a few years from now will find that new homes will be designed to use energy efficiently and save money on fuel.

ERDA says that while consumers can take immediate steps to conserve energy such as setting back thermostats and installing insulation and weatherstripping, long term energy savings will be accomplished by building energy efficiency into the entire range of products and materials that are used everyday.

For example, ERDA says that new kitchens will eventually have refrigerator-freezers that need only about one-half the electricity to do the same job as present-day ones, and some other appliances will be combined so that "waste" heat from one will be used to operate another. For instance, exhaust heat from that energy efficient refrigerator could be captured to heat water.

The new house in the not-so-distant future will have solar collectors installed on the roof to help heat and cool the house and to provide hot water. And, when the sun isn't shining, the house will have a heat pump to provide heating and cooling. Heat pumps are devices designed to remove heat from outside air, even relatively cold air, and pump the heat into a building to warm it. In warm weather the process can be reversed to discharge heat outside.

Windows will contain special materials to block out the sun's heat in the summer and hold heat inside in winter to further conserve energy.

ERDA says that 2 test houses in Southern California built with energy saving appliances, devices and other features, are expected to use at least 50% less energy than conventional homes.

S-p-r-e-a-d-i-n-g the word

University of Pittsburgh Graduate School of Business, funded by the **Administration on Aging** (AoA), is holding its first conference dealing with consumer problems and experiences of the elderly. Conference will be held June 10 at the University of Pittsburgh, Pittsburgh, PA and will discuss buying problems and fraud of senior citizens. For more information call or write Robert Perloff or Randi Koeski, Graduate School of Business, University of Pittsburgh, Pittsburgh, PA 15260; telephone: 412-624-6437 or 3585.

Public policy forum on life and health insurance services and consumer needs, set for May 2-4, has been postponed [CONSUMER NEWS: April 15].

consumer news

DEPARTMENT OF HEALTH, EDUCATION & WELFARE
Office of Consumer Affairs

Vol. 7, No. 9, May 1, 1977

President's energy message

President Carter has announced his proposal for a comprehensive energy program which he says is necessary "to cope with a crisis that otherwise could overwhelm us." The President outlined the energy plan in his April 20 address to Congress, and proposed the following energy goals for 1985:

- Reduction of the annual growth rate in energy demand to less than 2%.
- Reduction of gasoline consumption by 10%.
- A cut in foreign oil imports to 6 million barrels per day, less than half the level which would be reached without conservation efforts.
- Establishment of petroleum reserves of one billion barrels, about a 10-month supply.
- An increase in coal production of about 400 million tons annually to more than one billion tons per year.
- Insulation of 90% of American homes and all new buildings.
- Use of solar energy in more than 2.5 million homes.

The President proposed 4 main strategies to attain these goals: Conservation, rational pricing, conversion from scarce fuels and development of permanent and reliable new energy sources.

CONSERVATION

The President said that conservation "is the cheapest, most practical way to meet our energy needs and to reduce our growing dependence on foreign supplies of oil," and pointed out that most energy waste comes from inefficient transportation and heating and cooling systems.

Tax incentives were proposed by the President to encourage conservation through more fuel efficient cars and insulation of homes and office buildings. A graduated excise tax would be imposed in 1978 on automobiles that give low gas mileage, and the tax would be increased on new cars until 1985. As an example, under the tax plan, a new car getting 15 miles per gallon (mpg) in 1978 would be taxed \$180, and by 1985 this tax on new cars getting 15 mpg would be increased to \$1,600. The President said that tax money collected on wasteful cars will be returned to consumers through rebates on automobiles that are more efficient than the mileage standard.

President Carter also noted that gasoline consumption amounts to half our total oil usage, and proposed targeted reductions in annual gas usage. To ensure that these goals are met, the President proposed a 5¢ per gallon tax on gasoline to go into effect in 1979 if gasoline consumption exceeded the targeted amount, and would be increased by 5¢ per gallon each year the targeted amount was surpassed. The tax would reach a maximum of 50¢ per gallon in 1985, and would be removed in any year in which consumption did not exceed the targeted amount. This tax, like the tax on inefficient cars, would be returned to consumers.

In addressing the problem of energy waste from inefficient heating and cooling systems, President Carter said that some buildings waste up to half the energy used for heating and cooling, and he proposed incentives for those who own homes and businesses to conserve, and recommended tax credits for those who weatherize buildings. Home owners would get \$410 if they spent

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Water heaters

Up to 10,000 homeowners in 10 states and a number of hotel and motel owners will be eligible for a total of \$10 million in financial assistance for the purchase of solar water heaters under 2 programs which were recently announced by **Housing and Urban Development Dept. (HUD)**, and the **Energy Research and Development Administration (ERDA)**. Under the HUD program, states will receive money from the Federal Government and are authorized to pay \$400 per unit—about half the cost—to home owners and builder-developers for the solar-heated hot water hardware, usually consisting of one or two solar collector panels, tank for preheating water and pumps and controls. Installation is not included in the program.

ERDA—which is administering the hotel/motel program—will make direct grants to hotel and motel owners who apply. Amounts of grants will be determined on a case by case basis. Details of the program were not available at CONSUMER NEWS' presstime but ERDA said they should be issued by the first week in May. Copies of the notice containing information about the program may be obtained from ERDA, Solar Energy, (PON EG-77-N-03-1450) 1333 Broadway, Oakland, CA 94612.

The objective of these programs is to encourage the manufacture and widespread use of solar energy for the heating of water to make it competitive with other fuels used for heating water.

The 10 states chosen for the residential program are Connecticut, Massachusetts, New Hampshire, Rhode Island, Vermont, Delaware, Maryland, New Jersey, Pennsylvania and Florida. These states were picked because of the high electric bills residents paid in 1976 and because all of them have shown a strong interest in encouraging the use of solar energy in residences.

Food news

The National Food Situation, an established quarterly publication of **Agriculture Dept.'s Economic Research Service (ERS)**, has been expanded to provide consumers with information on changes in food prices, the performance of the food industry, and surveys on consumer behavior in food and home economics.

Copies of this booklet and other information on ERS publications may be obtained free by writing: ERS Information Packet, Room 1656 South Bldg., Agriculture Dept., Washington, DC 20250.

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\$2,200 in a single year on improving weatherstripping and insulation. (The tax credit would be less for those who spent less for these improvements.)

Or, homeowners could take advantage of a weatherization service all regulated utilities would be required to offer. Consumers would pay for these improvements through installments added to their utility bills, and the President said that in many cases, the amount of the additional charges would be almost entirely offset by lower energy consumption and consequent cost savings.

President Carter said that while we are making our homes less wasteful, we must also be making our appliances more efficient. The President said he would propose legislation that would impose stringent efficiency standards for household appliances by 1980.

The President also proposed legislation that would phase out pricing systems that make gas and electricity artificially cheap to large users and which do not accurately reflect costs; establish utility pricing systems that would set higher charges during the day when demand is great, and lower charges when demand is smaller; and provide individual meters for each apartment in new buildings instead of a single master meter in order to promote conservation.

RATIONAL PRICING

Realistic pricing of energy resources is a main thrust of the President's energy policy. Energy pricing should reflect true replacement costs, the President said, "as a means of bringing supply and demand into balance over the long run." To do this, the President proposed that a wellhead tax be phased in on existing supplies of domestic oil in order to bring the price up to the level of the world price for oil. This tax, too, would be returned to consumers. How this money would be distributed has not yet been decided.

In this way, the President said, producers would not receive windfall profits "beyond the incentives they need for exploration and production." In addition, the President said the system for regulating the price of natural gas—a system by which interstate gas users pay unrealistically low prices while users living within the states producing gas are forced to pay "exorbitant" prices—should be ended, and a program aimed at deregulation of prices for newly discovered natural gas would be implemented under the President's plan.

FUEL CONVERSION

The President also advocated conversion from scarce fuels—oil and natural gas—to coal wherever possible. He said that "although coal now provides only 18% of our energy needs, it makes up 90% of our energy reserves." President Carter noted that the production and use of coal created environmental difficulties, but said "we can cope with them through strict strip-mining and clean air standards." Large users of oil and natural gas would be subject to a sliding-scale tax under the President's program in order to induce them to convert to coal.

NEW ENERGY SOURCES

President Carter said his fourth strategy is to "develop permanent and reliable new energy sources," and said that the most promising of these is solar energy. To encourage the use of solar energy systems, the President proposed a "gradually decreasing tax credit from now through 1985 for those who purchase approved solar heating equipment." The proposed tax credit would amount to 40% of the first \$1,000 and 25% of the next \$6,400 invested.

In presenting his proposals to Congress, the President said that fairness was the guiding principle behind the development of the energy package. "None of our people must make an unfair sacrifice and none should reap an unfair benefit," the President said.

Keeping records

For many consumers who barely met their April 15 income tax filing deadline, the thought of going through their records again at this time—for any reason—may seem intolerable.

But didn't you find you had kept piles of receipts that were useless, and misplaced other documents you really needed to prepare your tax return? If so, now is the time to turn over a new leaf in the whole area of record-keeping. **Agriculture Dept.** has prepared some general questions to help you think through your own family record system requirements, including suggestions on where the records should be kept—many of them in a safe deposit box.

- How easy or difficult would it be for other family members to figure out your record system—if you have a system?
- Do you have a listing of people who are important contacts, such as tax counsel, lawyer, banker, broker, insurance representative, employer, creditors and debtors?
- Are you sure that title to family property and possessions is held in the best way for all concerned?

A good record system will provide a bird's-eye view of what happens to your property when you or your spouse dies. This system needs to be updated periodically to account for changes in marital status and children growing up—as well as consequences of a long illness, accident, lawsuit, job loss or retirement.

Since some documents are relatively easy to replace and others almost impossible or time-consuming to replace, Agriculture offers the following guidelines for using your safe deposit box space wisely:

- Birth and death certificates are needed from time to time, and they should be kept in a safe deposit box. Although they are replaceable, it may take weeks to get copies. Other family-type documents should also be kept in your safe deposit box, including marriage certificates, divorce or other legal papers regarding dissolution of marriage, adoption papers, citizenship records, and service papers.
- The original copy of a will is usually kept by the lawyer who prepared it. The client receives 2 carbon copies, one of which may be put in a safe deposit box. The other copy should be kept at home where it is readily accessible.
- A copy of a household inventory should be kept in a safe deposit box. This will be invaluable if your house is burglarized or burns. The inventory should list items such as furniture and appliances and should include date item was bought, purchase price (not including credit charges), applicable model number, brand name, dealer's name and general description of the item. Taking pictures of rooms helps identify stolen or damaged items. Include a realistic lump sum in your list for clothes and jewelry if they have not been itemized.
- Government bonds, certificates for securities, deeds, car titles, leases, papers on patents and copyrights should also be kept in a safe deposit box.
- The following items do not normally need to be kept in a safe deposit box: Insurance policies, income tax returns, education records, employment records, bank books, social security cards, guarantees, burial instructions and cancelled checks. Agriculture says that most cancelled checks—with the exception of those needed for income tax purposes—do not have to be kept at all because you can always call your bank for proof that your check was cancelled.

Finally, Agriculture suggests filling out a statement that lists your assets, obligations and net worth. If this is done every year, you can see at a glance how you are doing financially. Net worth forms may be available at banks or county **Cooperative Extension Service** offices.

Much of this material was taken from the pamphlet *Keeping Records—What to Discard* and is available free from **Consumer Information Center**, Pueblo, CO 81009.

OCA comments

Below is a summary of a recent comment on a proposed regulation prepared by the **Office of Consumer Affairs (OCA)** which should be of particular interest to consumers. Copies of this comment may be obtained free of charge from the Office of Consumer Affairs, Room 3310, HEW-North Bldg., Washington, DC 20201. Phone: 202-245-6933

AIRLINE OVERCHARGES

Civil Aeronautics Board (CAB) has proposed regulations on overcharges of scheduled airline passengers. The new rules would apply to the situation where a proposed fare increase is charged to a passenger who pays for a ticket in advance of a flight. If the proposed fare increase does not become effective by the flight date, the passenger has been overcharged, and the airline often has no way of returning the overcharge.

CAB is considering 2 alternatives to deal with this problem. The first would prohibit an airline from charging a higher fare on the basis of a proposed fare increase that has not yet become effective. If the fare goes into effect by flight time, the airline would then collect the balance owed.

The second alternative allows the airline to charge the proposed fare, but would require the airline to obtain sufficient passenger information so that the amount overcharged could be refunded if the fare increase does not take place.

In commenting on the proposals, OCA recommended adoption of the first alternative for the following reasons: (1) risk of a failure to contact the passenger should fall on the airline and not on the passenger; (2) this risk would be minimal if airlines adopt certain notification procedures; and (3) administrative costs involved with this alternative are likely to be lower than those arising from the second proposal.

OCA says airlines should have little difficulty in collecting fare increases at flight time if passengers making advance reservations and paying for tickets on flights for which fare increases may take effect are notified first verbally and then in writing in the form of a "stuffer" placed inside the ticket envelope. If fare increase becomes effective, airline would call passengers.

Airlines should not be overburdened by these requirements, OCA says, because "at least 2 major airlines already use a similar notification procedure." OCA pointed out that under the second alternative, airlines would encounter "excessive paperwork involved at flight time in collecting passengers' names, addresses and flight identifying information, and, when an overcharge has occurred, with the mailing of refunds to all passengers on the flight."

Recalls

• **HERB TEA—Food and Drug Administration (FDA)** announces recall of Celestial Seasonings brand of Chamomile Herb Tea in 57 gram (2 oz.) packages, product code 712-05-91, all case numbers except 01773, 01774, 02571, 02572, 02573, 02574, 03873, 03874, 03971, 03972, 03973, 03974, 04073, 04074, 05271, 05272, 06075, 06076, 06077, 31565; Mo's 24 Herb Tea in 71 gram (2½ oz.) packages, product code 700-01-91, all case numbers except 04771, 04772, 04773, 04774, 06875, 06877; and Sleepytime Herb Tea in 71 gram and 85 gram (3 oz.) packets, product code 702-01-91, all case numbers except 03171, 03172, 03173, 03174, 03871, 03872, 03874, 03971, 03973, 04072, 04073, 06272, 06273, 06274, 06275, 06276. Products recalled by manufacturer, Celestial Seasonings, Inc., Boulder, CO. Reason for recall: Material contaminated with insects and excreta.

• **TIRES—Uniroyal Tire Co.** announces recall of 1,100 tires that do not meet Federal standards. Uniroyal reportedly notified consumers who purchased its H 78-15 size Gillette Golden Bear tires (number ALVXED 5386) and its Peerless PT tires (ALVXHCX 386) that it will replace, mount and balance these tires free. Purchasers who have not been notified by Uniroyal should contact their dealers.

World gas prices

If you think gasoline prices are high in your home town, just look at what consumers are paying for a gallon of gas elsewhere in the world: Italy \$2.13; France \$1.76; Brazil \$1.73; Yugoslavia \$1.54; Great Britain \$1.50; West Germany \$1.43; Singapore \$1.43.

Energy publications

The following Federal publications on energy topics may be ordered from the **Consumer Information Center**, Pueblo, CO 81009. Please include publication numbers. When ordering titles for sale, make check or money order payable to Supt. of Documents.

FREE PUBLICATIONS

Checking Your Utility Bills, 589E. 4 pp. 1974. How to read gas and electric meters, calculate utility costs, and understand billing methods and forms.

Energy Saving Through Automatic Thermostat Controls, 636 E. 6 pp. 1976. Advantages of these timing devices, types available, installation.

Save Energy, Save Money, 590E. 41 pp. 1975. Simple do-it-yourself projects to insulate your home and get the most heat from furnaces, stoves, and fireplaces, and to use available heat from the sun.

Solar Energy in Your Home, 646E. 19 pp. 1976. Questions and answers on solar energy use for home heating.

Tips for Energy Savers, 591E. 31 pp. 1975. Hints for conserving energy in household heating, cooling, appliance use; in the workshop; and in family activities.

Miles Per Gallon Ratings for 1977 Cars and Light-Duty Trucks, 632E. 17 pp. 1976. Excludes most California-certified cars.

Miles Per Gallon Ratings for 1977 California-Certified Cars and Light-Duty Trucks, 633E. 11 pp. 1976.

Tips for Motorists, 512E. 8 pp. 1974. Car maintenance and driving techniques for improving gas mileage; suggestions for curbing car use.

PUBLICATIONS FOR SALE

Buying Solar, 122E, \$1.85. 71 pp. 1976. Describes how solar energy can be used to heat and cool a house and heat water; outlines different types of equipment and systems; shows how to estimate costs and savings.

In the Bank or Up the Chimney? 064E, \$1.70. 70 pp. 1975. Illustrated how-to instructions for weatherstripping, caulking, and installing storm windows and insulation; how to choose a contractor; includes guide for choosing methods of energy conservation and estimates of potential savings.

Making the Most of Your Energy Dollars, 065E, \$0.70. 20 pp. 1975. How to design and estimate the cost of the best combination of insulation, storm windows and doors, weatherstripping and caulking for maximum savings in home heating and cooling.

Gasoline: More Miles Per Gallon, 003E, \$0.35. 12 pp. 1974. How a car engine works; gas selection; maintenance tips; driving techniques to improve car performance and lower costs.

CONSUMER NEWS is published the 1st and 15th of each month by the Office of Consumer Affairs, Health, Education and Welfare Dept., to report Federal Government programs for consumers. Use of funds for printing this publication through Sept. 30, 1979, approved by Office of Management and Budget. Authorization to reproduce any or all items is granted. Editorial address is CONSUMER NEWS, Office of Consumer Affairs, Washington, DC 20201; Marion Q. Ciaccio, Managing Editor (202-245-6861). Sold by Consumer Information Center, Pueblo, CO 81009; subscription \$4 a year, payable to "Supt. of Documents." Send address change to Supt. of Documents, Government Printing Office, Washington, DC 20402.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1976—210-990/44
DHEW PUBLICATION NO. (OS) 77-108

DEPARTMENT OF
HEALTH, EDUCATION AND WELFARE
OFFICE OF CONSUMER AFFAIRS
WASHINGTON, D.C. 20201

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Consumer News: May 1, 1977

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